



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

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Spain

Tree Nuts

Semi-Annual

2004

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Report Highlights:

Unfavorable weather dramatically reduced Spain's almond and hazelnut crops in MY 2003/04, to an estimated 47,000 and 13,000 tons, respectively. Domestic prices for hazelnuts have practically doubled due to this season's reduced supplies from Turkey. California almond exports to Spain continue to attain new record levels. A new EU tree nut support scheme comes into force this year.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Madrid [SP1]
[SP]

Drought and frost, coupled with a low year of the alternate bearing cycle, reduced Spain's 2003/04 commercial almond production to about 47,000 tons, down 29 percent from the preceding year. Commercial hazelnut production also fell in 2003/04, to an estimated 13,000 tons, or some 9,000 tons less than in the preceding year.

Domestic wholesale prices have notably increased. In mid-January, 2004, wholesale prices for *langueta* almonds, shelled basis, were €4.45/kg compared with €2.89/kg in mid-January 2003. Hazelnut prices have soared to €3.10/kg, shelled *negreta* basis, in mid-January 2004, from €1.50 /kg in July 2003. Reduced Turkish supplies and exports are behind the rise in hazelnut prices.

Nut imports into Spain continue to grow rapidly. They amounted to about 130,000 tons in MY 2002/03, more than doubling the volume of 5 years earlier. In that five-year period, almond imports increased 91 percent to 49,000 tons and hazelnut imports increased 66 percent to 14,000 tons. Hazelnut imports, however, only increased slightly in MY 2002/03 from the preceding year. Walnut imports, however, declined in MY 2002/03 to 24,000 tons, a 30 percent decline from the preceding year. Like almonds, pistachios are showing an impressive growth, with imports increasing from 5,600 tons in MY 97/98 to nearly 20,000 tons in MY 2002/03. Chestnuts and pine nuts are other main imported nuts into Spain.

California almond exports to Spain continue to attain new record levels. The U.S. share of the almond market in MY 2002/03 remained practically unchanged, at about 90 percent. Growth in imports of California almonds has continued so far during the 2003/04 marketing year – up by 19 percent through December.

The reform of the Common Agricultural Policy (CAP) includes a new support scheme for tree nuts that comes into force this month. Tree nut growers, including carob, will receive a EU subsidy of €120.75/hectare. Member States have the option of supplementing this payment with an additional payment of up to €120.75/hectare. This will apply to a maximum guarantee area for Spain of 558,000 hectares, out of an EU total of 800,000 hectares.

PSD Table

Country

Spain

Commodity

Almonds, Shelled Basis

(HA)(1000 TREES)(MT)

	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official	Estimate [D]	DA Official	Estimate [D]	DA Official	Estimate [New]	
Market Year Begin	09/2002		09/2003		09/2004		MM/YYYY
Area Planted	670	670	670	670	670	670	(HA)
Area Harvested	650	650	650	650	650	650	(HA)
Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	500	500	5500	5000	4500	2000	(MT)
Production	66000	66000	52000	47000	59000	59000	(MT)
Imports	50000	49000	55000	55000	50000	54000	(MT)
TOTAL SUPPLY	116500	115500	112500	107000	113500	115000	(MT)
Exports	60000	59500	58000	55000	59000	60000	(MT)
Domestic Consumption	51000	51000	50000	50000	50000	50000	(MT)
Ending Stocks	5500	5000	4500	2000	4500	5000	(MT)
TOTAL DISTRIBUTION	116500	115500	112500	107000	113500	115000	(MT)

PSD Table

Country

Spain

Commodity

Filberts, Inshell Basis

(HA)(1000 TREES)(MT)

	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official	Estimate [D]	DA Official	Estimate [D]	DA Official	Estimate [New]	
Market Year Begin	09/2002		09/2003		09/2004		MM/YYYY
Area Planted	23	24	23	23	0	23	(HA)
Area Harvested	21	21	21	21	0	21	(HA)
Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	12000	12000	9000	12000	5000	3000	(MT)
Production	22000	22000	20000	13000	0	24000	(MT)
Imports	10000	14000	11000	10000	0	14000	(MT)
TOTAL SUPPLY	44000	48000	40000	35000	5000	41000	(MT)
Exports	12000	11000	12000	8000	0	12000	(MT)
Domestic Consumption	23000	25000	23000	24000	0	25000	(MT)
Ending Stocks	9000	12000	5000	3000	0	4000	(MT)
TOTAL DISTRIBUTION	44000	48000	40000	35000	0	41000	(MT)